

TAKEN FROM INSPECTOR GENERAL'S REPORT - 20 October 1954

CONCLUSIONS: Page 2

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3. The files of the Comptroller's Office reveal that the Director authorized the disbursement of [] during FY 1954 with blanket waivers of all fiscal controls normally exercised by the Comptroller. Such waivers are prima facie evidence of a belief that normal Agency standards, procedures, and security are inadequate to meet the requirements of certain sensitive covert projects. These waivers, even though approved by the Director, expose him, the Agency, and private individuals to charges of fiscal irresponsibility.

RECOMMENDATIONS: Page 7

3. The DD/A and DD/P should appoint a joint committee charged with the responsibility for making a detailed study of the problems and requirements of projects which have been given blanket waivers and recommend to the Director a method for handling existing and future projects of this type.

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